Northern Marianas College
BOARD OF REGENTS

Minutes of the Special Meeting
BOR Conference Room
20 January 2000

I. CALL TO ORDER: 3:00 p.m.

II. PRESENT:

A. BOR Members: Chairman Ramon G. Villagomez, Vice Chairman Fermin M. Atalig, Regent Manuel A. Sablan, Regent Abelina Cing Cabrera, Regent Vincent J. Seman, Regent Teresa Taitano, and Regent Kimberlyn King.

B. NMC Faculty and Staff and Guests: Acting President Jack Sablan, Jesse C. Borja, Esq. (Legal Counsel); Barbara Moir, Al Santos, Dave Atalig, Ed Camacho, Julie Uloa-Heath, Janice Tenorio, Stanley Mar, Mrs. Serafina King-Nabors, Mr. Dan Nielsen (Governor’s Office), Marian A. Maraya (Marianas Variety), Aldwin Fajardo (Saipan Tribune), and Vince Merfalen (recorder).

III. Chairman gives his opening remarks and moves directly into the presentation of the FY2001 Proposed Budget.

IV. Acting President Presents the FY2001 Budget Proposal: A written report was submitted.

A. Acting President Sablan introduces Mr. Alvaro Santos and Mr. Dave Atalig, who, in close collaboration with the Governor’s Office, prepared the FY2001 proposed budget. Mr. Dan Nielsen notes that the figures in the proposal are “in line” with the Governor and OMB guidance.

B. The proposed FY2001 budget is based on Continuing Resolution levels and FY99 appropriations.

C. OMB ceiling is $6.8 million for general operations and $1.17 million for vocational education programs.

D. NMC is requesting, in addition to the OMB ceiling, $364K to cover retirement and annual leave lump sum obligations.
E. Federal Programs and Federal Grants budgets are attached as required by law. The amounts budgeted for these programs are informational and not part of the budget request to OMB.

F. NMC matching funds to the Federal Programs budget are shown on page 21 of the proposal.

G. The estimated tuition and fees revenues to NMC are conservative. Actual numbers of full-time students are anticipated to increase.

H. $200K is the estimated cost of Adjunct faculty salaries. This is paid with tuition and fees revenues and not part of the request to OMB. Dr. Moir estimates the need for approximately 16 adjunct instructors in FY 2001. Regent Sablan requests that a list of adjunct instructors be provided to the members of the board.

I. Regent Sablan requests a study on teachers salaries. He feels that we need more instructors but does not see any facts to support an increase in instructor FTE’s.

   1. factor the number of courses taught per instructor.

   2. factor the number of students taught per class.

J. The Chairman notes that the proposal does not reflect any changes call for by the September 1999 audits. President Sablan explains that a budget impact study is ongoing at this time. This is in conjunction with a study to upgrade the current pay scales.

K. Regent Seman notes that the proposal shows increases to some individual salaries, some for significant amounts. He feels that this may be contrary to BOR directed restrictions and “austerity measures.” Mr. Atalig explains that the salary figures reflect actual salaries from the last draw down. Each case must be evaluated individually to identify the cause of the increase.

L. Regent Sablan’s comments on staffing:

   1. He believes our student to staff and student to faculty ratios are higher than other colleges (of comparable enrollment).

   2. He also compares NMC payroll and accounts with PSS; concludes that there are too many supervisors and accountants.

   3. He believes that individual salaries should be determined by productivity levels.
4. He comments on NMC’s lack of a time clock and expresses his vision to implement such a system. Chairman Villagomez mentions that a needs assessment and more information is necessary before acting on this issue.

M. In a personal review of NMC budget trends since FY96, Regent Sablan notes that some individuals have had significant increases in salary. The regent requests Acting President Sablan to investigate the increases and submit a report to the Personnel and the Finance-Legislative Committees. He says: “the buck stops at the President.”

N. Regent Seman makes note that the Finance-Legislative Committee did not review nor approve the proposed budget.

1. He inquires into the short notice and urgency.

2. Mr. Santos and Mr. Atalig explain that the deadline for submission is Friday, 21 January 2000. The deadline was known in advance but they did not have required data and information in order to prepare the proposal.

3. The regent does not place blame on anyone in particular, instead he believes it is shared by the BOR and Administration.

4. Although the need and situation is understood, the regent is not comfortable with a quick budget review. As such, he feels he is unable to do a good job as a regent.

5. Acting President Sablan explains that a change in Administration came with many changes. The FY2001 budget proposal is based on an earlier BOR approved budget plus changes directed by the new administration.

6. Mr. Dan Nielsen suggests that NMC follow a budget cycle that includes a schedule with advance draft formulation and regular reviews prior to the actual submission.

O. Mr. Jesse Borja reminds the regents that CNMI law require NMC appropriations to be off-set by the amount of tuition revenues.

1. In a brief discussion, the regents conclude that precedence was established when a history of budget cuts eventually negated the off-set requirement.

2. The regents recognize that changes in law is necessary. Chairman Villagomez states that he plans to meet with the new legislature in
the near future where he will introduce this as well as other NMC issues.

P. **Motion:** to approve the FY2001 budget.

1. motion was seconded

2. **Motion Carried Unanimously**

V. **Adjourn:** 4:20 p.m.